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IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO

93 APR 13 AM 10: 59

U.S. DISTRICT COURT SOUTHER REIST, CHIO EAST, Day, COLLIMBUS

FIDELITY BANK, NATIONAL ASSOCIATION,

Plaintiff,

٧.

M.M. GROUP, INC. and RIGGS-HUTCHINSON & ASSOCIATES, INC.,

Defendants.

CIVIL ACTION

NO.:

C2 - 93 - 0393

JUDGE HOLSCHUH

MAGISTRATE JUDGE KEMP

COMBENT ORDER FOR APPOINTMENT OF A RECEIVER FOR THE ASSETS OF M.M. GROUP, INC.

AND NOW, this 13 day of April , 1993, upon consideration of the Application of Fidelity Bank, National Association ("Fidelity") for the Appointment of a Receiver for the Assets of M.M. Group, Inc. ("M.M. Group") and it appearing to the Court by the signatures below that the entry of this Order is by consent of applicant Fidelity and respondent M.M. Group and after having found that good cause exists for the relief requested, it is hereby ORDERED as follows:

1. The Court hereby orders that Robert J. Maccini be appointed Federal receiver of M.M. Group (the "Receiver"), and of all assets, effects, property, licenses and accounts of M.M. Group's business, of whatever kind and description including, without limitation, radio stations WCSJ-AM, WCSJ-FM and WQTL-FM (the "Stations"). The Court further orders that all powers incident and necessary to Robert J, Maccini in his capacity as

132\1714338.ord Receiver, as described in the succeeding paragraphs and as conferred upon federal receivers, be conferred upon him by this

- 6. The Court hereby authorizes the Receiver to continue, manage and operate the business of M.M. Group, subject to the supervision and orders of the Court, the Receiver may buy and sell necessary or appropriate merchandise, and may employ and compensate persons that, in his best judgment, are necessary or appropriate to operate and manage the business. The Receiver shall also have the authority to retain and pay professionals such as accountants and lawyers, to advise and assist him in the discharge of his duties and to retain consultants and brokers to assist in the operation and sale of the Stations.
- 7. The Court hereby authorizes the Receiver to sell, transfer and convey the right, title and interest of M.M. Group in any property, in the ordinary course of business, for such amount of money as in his judgment appears reasonable. Any sale, transfer or conveyance of real or personal property of M.M. Group outside the ordinary course of business must be approved by the Court upon application of the Receiver.
- 8. The Court hereby authorizes the Receiver to pursue

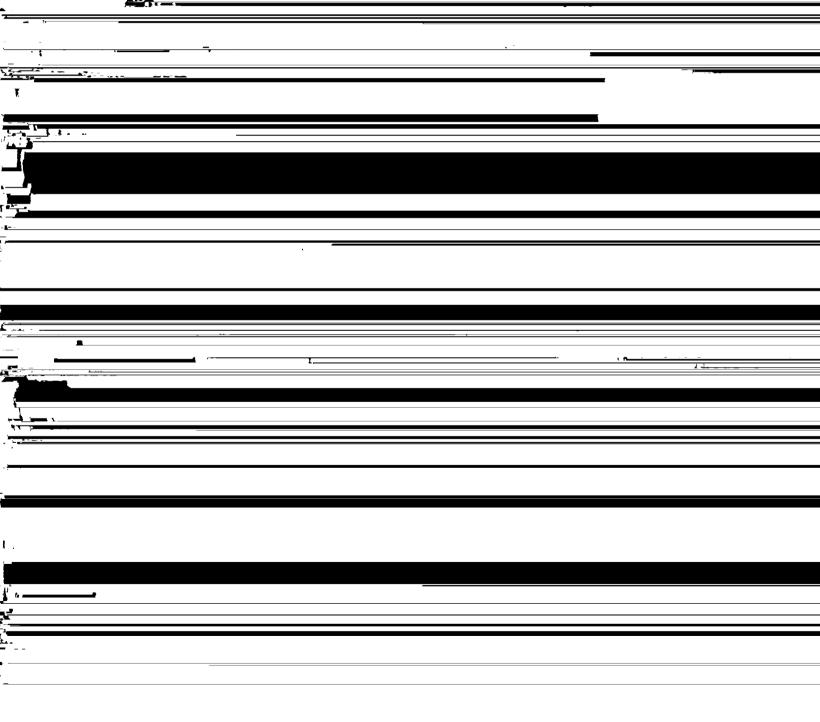
attorneys, accountants and other servants, consistent with his best judgment.

- 10. The Receiver shall submit monthly reports to the Court. Each report shall describe in reasonable detail all the doings and accomplishments of the Receivership, and shall keep the Court abreast of any significant developments with regard to significant sales or transfers, if any, of M.M. Group's assets.
- claimants desiring to have their claims considered to file under oath with the Receiver, on or before June 30, 1993, a statement setting forth their claims, the name and address of the claimant, the nature and amount of such claims, a statement of any security or lien held by the claimant to which he is or claims to be entitled, and also a statement as to any preference or priority to which the claimant claims to be entitled over other claimants or creditors. Employees, attorneys, accountants, and other persons paid in the ordinary course of business need not file claims with the Receiver unless the Receiver objects to payment of the amounts to which such persons claim entitlement.
- 12. The Court hereby authorizes the Receiver to institute, prosecute, defend, compromise, adjust, or intervene in any action or proceeding, legal or equitable, before any court, agency or tribunal, as may in his judgment be necessary and proper for the protection, maintenance and preservation of the assets of

- 13. The Court hereby orders the Receiver to publish a notice of his appointment as the Receiver, including notice of the injunction and bar date to file claims, under the heading "Notice of Receivership," in any publication or publications of general circulation in the geographic areas in which the Stations broadcast, as the Receiver in his judgment believes necessary. Such notice shall first be published within ten calendar days from the date of this order, and shall appear for at least five consecutive days in each such publication. The Receiver shall also mail, within ten calendar days from the date of this order, a copy of this order under the heading "Notice of Receivership," to each known creditor and stockholder of M.M. Group, as appears from the books of M.M. Group, addressed to each such creditor or stockholder at his last known address.
- 14. The Receiver shall have the authority to take whatever action he may deem necessary or appropriate to obtain Federal Communications Commission consent to operate the Stations and to effectuate transfers, assignments or sales thereof to third party purchasers of the Stations. M.M. Group and its stockholders are further ordered to immediately execute, file and prosecute applications with the Federal Communications Commission in order to effect the assignment of the Federal Communications licenses for the Stations from M.M. Group to the Receiver and to take such additional steps as the Receiver may reasonably request in the

future to obtain approval of such applications and to otherwise cooperate with the Receiver in the performance of his duties.

15. The Receiver shall be entitled to receive compensation and expense reimbursement in accordance with the terms of the Receivership Agreement and Exhibit thereto attached to this Order as Exhibit "A" the terms of which Receivership Agreement and



shall be deemed administrative expenses having priority over claims of all creditors except as to those assets in which a creditor has a perfected security interest as of the time the appointment of the Receiver became effective.

under this order until further order of the Court or his resignation pursuant to the aforementioned Receivership Agreement. The Court may extend, modify or dissolve the Receivership for good cause shown, upon motion, by the Receiver or any party to the action.

UNITED STATES DISTRICT JUDGE

TO This Day of 1993

BENESCH, FRIEDLANDER, COPLAN

By:

Orla E. Collier, Esquire 88 East Broad Street Columbus, Ohio 43215 (614) 223-9300

OF COUNSEL:

Roger A. Brush, Esquire Michael J. Cordone, Esquire KLEHR, HARRISON, HARVEY, BRANZBURG & ELLERS KESSLER FRALLENGER

Rv:

Russell W. Kessler, Esquire 7650 Rivers Edge Drive Suite 220 Columbus, Ohio 43235

(614) 888-3185

Attorneys for M.M. Group, Inc.

COMPLAINT

HALEY, BADER & POTTS and LEE W. SHUBERT

V.

M.M. GROUP, INC.,

RIGGS-HUTCHINSON & ASSOCIATES, INC.,

ROBERT CASAGRANDE and MARK S. LITTON

U.S. DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF OHIO

CASE NO. C2-93-.405

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Mag. Fraggist

Docketed

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO

EASTERN DIVISION

93 APR 15 PM 4: 03

HALEY, BADER & POTTS : 4350 North Fairfax Drive : Suite 900 : Arlington, Virginia 22203-1633,:

and

LEE W. SHUBERT : 4350 North Fairfax Drive : Suite 900 : Arlington, Virginia 22203-1633,:

Plaintiffs, :

V.

M.M. GROUP, INC. 6555 Busch Boulevard Suite 209 Columbus, Ohio 43229,

and

RIGGS-HUTCHINSON & ASSOCIATES, INC.
Columbus, Ohio,

and

ROBERT CASAGRANDE 1630 Strathshire Hall Place Powell, Ohio 43065,

and

MARK S. LITTON
1990 Hamrock Drive
Powell, Ohio 43065,

Defendants. :

Judge EAST OFFICE COURT

 $C2 - 93 - \cdot 405$

JUDGE BECKWITH

MAGISTRATE JUDGE KEMP

REGELVED NEDDY, BEGLEY & MARTIN

MAY 24 1993

Addressed to MHM FED.EX.

File _____

COMPLAINT

COUNT ONE

Jurisdiction over this action arises under 28 U.S.C.
 § 1332(a)(1). The parties are citizens of different states, and the amount in controversy exceeds \$50,000.

- 2. Plaintiff Haley, Bader & Potts, a citizen of Virginia, is currently located at 4350 North Fairfax Drive, Suite 900, Arlington, Virginia 22203-1633. Plaintiff Lee W. Shubert, a citizen of Virginia, is an attorney employed by Haley, Bader & Potts at 4350 North Fairfax Drive, Suite 900, Arlington, Virginia 22203-1633.
- 3. Defendant M.M. Group, Inc. (hereinafter "MMG"), a closely held Ohio corporation, is currently located at 6555 Busch Boulevard, Suite 209, Columbus, Ohio 43229. The statutory agent for MMG is Mark S. Litton, 6555 Busch Boulevard, Suite 209, Columbus, Ohio 43229.
- 4. Defendant Riggs-Hutchinson & Associates, Inc. (hereinafter "RHA"), a closely held Ohio corporation, is located in Columbus, Ohio. The statutory agent for RHA is Mark S. Litton, 655 Busch Boulevard, Suite 209, Columbus, Ohio 43229.
- 5. Defendant Robert Casagrande (hereinafter "Defendant Casagrande") is a citizen of Ohio and currently resides at 1630 Strathshire Hall Place, Powell, Ohio 43065.
- 6. Defendant Mark S. Litton (hereinafter "Defendant Litton") is a citizen of Ohio and currently resides at 1990 Hamrock Drive, Powell, Ohio 43065.
- 7. Defendant Casagrande, to the best of Plaintiffs' knowledge and belief, is President, Treasurer, Director and fifty-percent (50%) shareholder of MMG, and Vice President, Director and fifty-percent (50%) shareholder of RHA.
- 8. Defendant Litton, to the best of Plaintiffs' knowledge and belief, is Vice President, Secretary and fifty-percent (50%)

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shareholder of MMG, and Secretary-Treasurer, Director and fifty-percent (50%) shareholder of MMG.

- 9. MMG is the licensee of radio stations WCFL (FM) and WCSJ (AM) in Morris, Illinois; WQTL (FM) in Ottawa, Ohio; WNRJ (AM) and WTLT (FM) in Circleville, Ohio.
 - 10. RHA is the licensee of WHTT (FM) in Marysville, Ohio.
- 11. Plaintiffs provided legal services to the Defendants and the radio stations in the amount of \$288,393.64, including principal and interest.
- 12. Plaintiffs have made several past efforts to collect the outstanding balance due of \$288,393.64; however, the Defendants MMG, RHA, Casagrande, and Litton have not made any payments on the amounts due.
- 13. Plaintiffs have demanded payment in full of the balance due, but Defendants MMG, RHA, Casagrande, and Litton have refused to make any payment on the amounts due.
- 14. Plaintiffs are entitled to payment for legal services rendered in the amount of \$288,393.64, which includes principal and interest.

COUNT TWO

- 15. Plaintiffs reincorporate the allegations contained in Paragraphs 1 through 14 as if fully rewritten herein.
- 16. To the best of Plaintiffs' information and belief, the radio stations owned by MMG in Morris, Illinois, WCFL (FM) and WCSJ (AM), have been subject to foreclosure, and there is pending an application for the <u>pro forma</u> assignment of the licenses for the Circleville, Ohio radio stations (WTLT (FM) and WNRJ (FM))

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and the Marysville, Ohio radio station (WHTT (FM)) to a company named Tel-Lease, Inc. To the best of Plaintiffs' information and belief. Tel-

JURY DEMAND

In accordance with the provisions of Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff requests a jury to decide all factual issues raised by the Complaint.

	Percy Squire BRICKER & ECKLER	(0022010)
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IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO, EASTERN DIVISION

HALEY, BADER & POTTS, et al.,	:
Disimples	:
Plaintiffs,	: Case No
vs.	•
	: Judge
M.M. GROUP, INC.	:
	:
Defendants.	:

AFFIDAVIT

Percy Squire, being first duly cautioned and sworn, states:

- 1. I am an attorney licensed to practice law in the state of Ohio.
- 2. I am the attorney for Haley, Bader & Potts and Lee W. Shubert ("Plaintiffs").
- 3. To the best of my knowledge, the nature and amount of the Plaintiffs' claim is \$288,393.64 for legal services rendered to the Defendants, M.M. Group, Inc. and Riggs-Hutchinson & Associates, Inc.
- 4. To the best of my knowledge, the properties owned by M.M. Group, Inc. and Riggs-Hutchinson & Associates, Inc. in Morris, Illinois have been the subject of foreclosure proceedings. M.M. Group, Inc. and Riggs-Hutchinson & Associates, Inc. have a pending application for the proforma assignment of their licenses for radio stations WNRJ-AM and WTLT-FM in Circleville, Ohio and WHTT-FM in Marysville, Ohio to a Worthington, Ohio corporation called Tel-Lease, Inc. Tel-Lease, Inc. is owned and operated by the Defendants Robert Casagrande

and Mark S. Litton, who also own and operate M.M. Group, Inc. and Riggs-Hutchinson & Associates, Inc. It is my understanding that the pending assignment is an attempt to shelter assets from creditors and to assign property with the intent to defraud creditors, including Plaintiffs.

- 5. The property for which Plaintiffs are seeking attachment includes all of the assets of M.M. Group, Inc., Riggs-Hutchinson & Associates, Inc., Robert Casagrande, and Mark S. Litton, including the radio stations located in Circleville, Ohio (WNRJ-AM and WTLT-FM) and in Marysville, Ohio (WHTT-FM). The approximate value of these properties is not known.
- 6. To the best of my knowledge, it is the Defendants' intent to assign the licenses to the Circleville and Marysville radio stations to Tel-Lease, Inc. of Worthington, Ohio in an attempt to shelter these assets from creditors.
- 7. To the best of my knowledge, the above-referenced properties are not exempt from attachment or execution.
- 8. To the best of my knowledge, the above-referenced properties are not in the possession or control of any third parties.

FURTHER, affiant sayeth not.

Percy Squire

Sworn to before me and subscribed in my presence this 16th day of April, 1993.

Notary Public

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ORDER OF ATTACHMENT

HALEY, BADER & POTTS and LEE W. SHUBERT

V.

M.M. GROUP, INC.,

RIGGS-HUTCHINSON & ASSOCIATES, INC.,

ROBERT CASAGRANDE and MARK S. LITTON

U.S. DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF OHIO

CASE NO. C2-93-.405

Judge Judge TK

Docketed

41-19-73

THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT

93 APR 19 AMII: 14

HALEY, BADER & POTTS, et al.

Plaintiffs.

vs.

M.M. GROUP, INC., et al.

Defendants.

C2 - 93 SOUT 4 05 T. OHI

Case No.

Judge JUDGE BECKWITH

MAGISTRATE JUDGE KEMP

ORDER OF ATTACHMENT

Pursuant to Rule 64 of the Federal Rules of Civil Procedure and Ohio Rev. Code § 2715.045, this Court is issuing its Order without notice or hearing, based upon Plaintiffs' Application and Motion for Pre-Judgment Attachment. Based upon Plaintiffs' Motion and supporting Affidavit, this Court hereby finds well-taken said Motion for Pre-Judgment Attachment of the assets of Defendants M.M. Group, Inc., Riggs-Hutchinson & Associates, Inc., Robert Casagrande, and Mark S. Litton, and sustains the same. It is therefore,

ORDERED that the Defendants are prohibited from assigning their license and all property rights in the radio stations WTLT-FM and WNRJ-AM in Circleville, Ohio, and in the radio station WHTT-FM in Marysville, Ohio to Tel-Lease, Inc. or any other entity or person.

Judge

APPROVED:

Percy Squire

Attorney for Plaintiffs

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Haley, Bader & Potts, et al.	CLERK OF COURTS
	U.S. District Court
4350 North Fairfax Drive, Suite 900	Southern District of Ohio
Arlington, Virginia 22203-1633	Eastern Division
PLAINTIFF(S)	85 Marconi Boulevard
VS.	Columbus, Ohio 43215
M.M. Group, Inc., et al.	CASE NUMBER:
M.M. Group, Inc., et al.	This number must be used on all references.
	Inis number must be used on an references.
DEFENDANT(S)	
orfunds in your possession. The basis for this application	med plaintiff(s) has applied to this Court for the attachment of property n is indicated in the documents (motion, affidavit, etc.) that are attached COPIES OF SAID DOCUMENTS PERTAINS ONLY TO PLAINTIFF'S INTIFF'S COMPLAINT.
exempt from attachment and cannot be taken to satisfy:	thio provide that certain benefit payments, property, or funds may be a debt. Therefore, if any portion of the property or funds to be attached is hit to exercise the right to challenge this action. Examples of these
 2. BENEFITS FROM THE <u>FEDERAL GOVERNMENT</u>: a. Social Security Benefits b. Supplemental Security Benefits (S.S.I.) c. Veterans' Benefits d. Black Lung Benefits 	 3. BENEFITS FROM THE STATE OF OHIO a. Aid to Dependent Children (A.D.C.) b. Poor Relief or General Relief (G.R.) c. Unemployment Compensation Benefits d. Workers' Compensation Benefits
noted, such as prior payment of the debt. YOUR WAGES HAS BEEN TAKEN AGAINST YOU. If you have any quesyour attorney immediately. If you need the name of a	e entitled to an exemption for some other reason(s) which has not been SINEVER CAN BE TAKEN TO PAY A DEBT UNTIL AFTER A JUDGMENT Stions concerning your right to claim an exemption, you should contact in attorney, you should contact the Columbus BAR ASSOCIATION YOU SHOULD CONTACT THE LEGAL AID AND DEFENDER SOCIETY
THE JUDGES, OR THE CLERK, CANNOT GIVE	LEGAL ADVICE, NOR CAN THEY ACT AS YOUR ATTORNEY.
If you believe that you are entitled to retain possessi	ion of said benefits, property, or funds, and wish to challenge this claim.
OF JUDGMENT), or (b) filing the request for a hearing for form you may state your reasons for disputing the claim	executed by an acceptable POSSESSION OF THE PROPERTY OR FUNDS UNTIL A FINAL ENTRY orm (which is on the reverse side) or a substantially similar form. On this in the space provided; however, you are not prohibited from stating any ome of your reasons, it will not be held against you by the Court, and you
IF YOU REQUEST A HEARING, IT WILL BE CONDU	ICTED IN THE U.S. District Court, Columbus, Ohio ON
···	
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CONSUMMATION LETTER

REGARDING ACQUISITION

OF STATIONS WCSJ (AM) AND WCFL (FM),

MORRIS, ILLINOIS,

BY M. M. GROUP, INC.

IDEC 4 - 1989

LAW OFFICES

HALEY. BADER & POTTS

SHITE BOO

2000 M STREET, N.W.

WASHINGTON, D.C. 20036-4574

(202) 331-0606

Federal Communications Commission

Office of the Secretary
Patrice A. Lyons
Theodore D. Kramer
Metodie A. Virtue
James E. Dunstan
Mary Price Taylor
Rathleen Victory
David G. O'Neil

LARRY D. SUMMERVILLE BROADCAST ANALYST

> TELECOPIER (202) 296-8679

JOHN CRIGLER
KENNETH A. COX

LEE W. SHUBERT

ANDREW G. HALRY (1904-1966)

MICHAEL H. BADER

HENRY A. SOLOMON

WILLIAM J. BYRNES

RICHARD M. RIBHL

Joen Wells King Joen M. Pelkey

WILLIAM J. POTTS, JR.

December 4, 1989

Ms. Donna R. Searcy Secretary Federal Communications Commission 1919 M Street, N.W. Washington, DC 20554

Re: Notice of Consummation of BAL-890613EC and BALH-890613ED Radio Stations WCSJ(AM) & WUEZ-FM Morris, Illinois

Dear Ms. Searcy:

Please be advised that on Friday, December 1, 1989, pursuant to Commission consent (respecting the above-referenced applications), the assignment of the licenses for Radio Stations WCSJ(AM) and WUEZ-FM, Morris, Illinois, from Midwest Broadcasting, Inc., to M.M. Group, Inc., was effectuated.

Consistent with the Commission's Rules, an Ownership Report for M.M. Group, Inc., will be forthcoming.

Should further information be desired in connection with this matter, kindly communicate directly with this office.

Very traly yours

Zee W. Shuber

LWS/blr

EXHIBIT R

FCC LETTER OF

JUNE 11, 1990

TO

M. M. GROUP, INC.

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

JUN 1 1 1990

IN REPLY REFER TO:

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8920-GJB

Mr. Mark S. Litton M. M. Group, Inc. Radio Station WCFL(FM) 1150 Morse Road, #300 Columbus, OH 43229

> In re: WCFL(FM), Morris, IL M.M. Group, Inc. BPH-8902171C

Dear Mr. Litton:

This is in reference to the "Request for Issuance of Order to Cease Operations immediately" dated June 8, 1990 filed by counsel for Airplay Broadcasting Corporation, licensee of WXRX(FM), Belvidere, IL (copy enclosed) and the telephone conversation today between Mr. Chris Forgy, Assistant General Manager of WCFL(FM) and Mr. Robert Greenberg of my staff.

It has been brought to our attention that you have commenced program test operation pursuant to construction permit File No. BPH-890217IC (granted March 27, 1990). This construction permit specifies the use of a directional antenna. Section 73.1620(a)(2) of the Commission's Rules states, in pertinent part, that the permittee of an FM station with a directional antenna system must file an application for license, FCC Form 302, requesting program test authority with the FCC in Washington, D.C. at least ten days <u>prior</u> to the date on which it desires to begin program tests. As of today's date, no license application with a request for program test authority has been received by the Commission.

Accordingly, operation under construction permit File No. BPH-890217IC must cease immediately. Program test authority will only be granted by the Commission after you have filed a license application and have shown compliance with all the terms and conditions of your construction permit. The Commission has no objection to your continued operation pursuant to your currently licensed facilities (File No. BLH-871023KD).

Sincerely.

Dennis Williams Chief, FM Branch Audio Services Division Mass Media Bureau

Enclosure

cc: EIC, Chicago Fisher, Wayland, Cooper and Leader Haley, Bader and Potts

LETTER OF M. M. GROUP, INC.'S COUNSEL

JUNE 11, 1990

HALEY, BADER & POTTS

SUITE GOO

2000 M STREET, N.W.

WASHINGTON, D.C. 20036-3374

(202) 331-0606

TRLECOPIER (202) 296-8679

WILLIAM J. POTTS, JR. RICHARD M. RIEBL LRE W. SEUBRET HENRY A. SOLOMON RICHARD H. STRODEL MARY PRICE TATLOR JAMES M. TOWARMICKY KATELEEN VICTORY MELODIE A. VIETUE

LABRY D. SUMMERVILLE

ANDREW G. HALEY (1904-1966)

June 11, 1990

Donna R. Searcy, Secretary Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

> Re: Radio Station WCFL(FM), Morris, Illinois Notice Pursuant to Rule 73.1615(a)

Dear Ms. Searcy:

MICHAEL H. BADER

William J. Byrnes

JAMES B. DUNSTAN

JOHN WELLS KING

PATRICE A. LYONS

DAVID G. O'NEIL JOHN M. PELERY

KENNETE A. COX

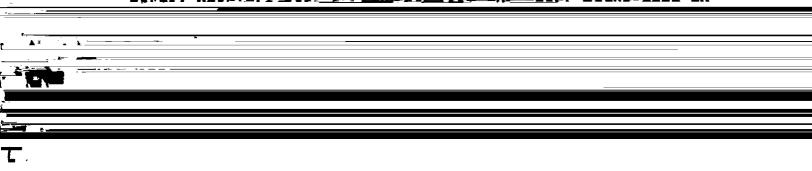
TREODORE D. KRAMER

MARY A. MCREYNOLDS

JOHN CRIGIER

On behalf of M.M. Group, Inc., licensee of WCFL(FM), Morris, Illinois, and pursuant to Section 73.1615(a) of the Commission's Rules, notice is hereby given that Station WCFL is in the process of modifying its existing facilities as authorized by Construction Permit BPH-890217IC and that it is necessary to operate with temporary facilities in order to continue program service. WCFL's temporary facilities will maintain, as nearly as possible, but not exceed, the size of the presently licensed coverage area, as authorized under Rule 73.1615(a).

WCFL's temporary facilities are located at the site approved in its construction permit. Effective radiated power, however, will be reduced from the power authorized in



Donna R. Searcy, Secretary June 11, 1990 Page 2

If there are any questions regarding this matter, kindly communicate directly with this office.

